

**STATE OF ALASKA  
DEPARTMENT OF NATURAL RESOURCES  
STATE PIPELINE COORDINATOR'S OFFICE  
411 WEST FOURTH AVENUE, SUITE 2C  
ANCHORAGE, ALASKA 99501  
(907) 257-1300**

**PUBLIC NOTICE  
KENAI-KACHEMAK PIPELINE RIGHT-OF-WAY APPLICATION  
ANALYSIS AND COMMENT PERIOD  
ADL 228162**

The Department of Natural Resources, State Pipeline Coordinator's Office, hereby gives notice to the public of the opportunity to provide comments on the following proposed action:

- Approval of the Kenai-Kachemak Pipeline right-of-way application (ADL 228162) and offer of the right-of-way lease.

Pipeline Right-of-Way Application

Subject to the provisions of AS 38.35, and pursuant to regulations promulgated thereunder, the State Pipeline Coordinator's Office has received a right-of-way lease application from Kenai-Kachemak Pipeline, LLC (KKPL LLC) a limited liability company formed by Marathon Oil Company and GUT LLC, a wholly-owned subsidiary of Union Oil Company of California, dba Unocal Alaska, for the Kenai-Kachemak Pipeline (ADL 228162).

KKPL LLC proposes to construct a buried pipeline to transport natural gas. The proposed Kenai-Kachemak Pipeline Project would be located on the Kenai Peninsula, between the communities of Kenai and Ninilchik, Alaska. The pipeline would extend from the Alaska Pipeline Company 500 Master Meter Building (located east of Kalifonsky Beach Road) located within Section 30, Township 5 North, Range 11 West, Seward Meridian, to approximately Milepost 128 of the Sterling Highway, located within Section 5, Township 1 South, Range 13 West, Seward Meridian. This southernmost point of the line is approximately 13 miles north of the community of Ninilchik.

The public notices required under AS 38.35.070 were published in newspapers in Homer, Kenai and Anchorage. Public notices were sent to post offices, libraries, communities and ANCSA corporations in the vicinity of the project area. No party requested a public hearing within 30 days of those notices. Copies of the right-of-way lease application were provided to coordinating agencies, local libraries, and other interested state and federal agencies.

Pursuant to AS 38.35.080, the State Pipeline Coordinator prepared a Commissioner's Analysis and Proposed Decision for the right-of-way lease application and a draft Right-of-Way Lease for the Kenai-Kachemak Pipeline.

The public may obtain copies of the Commissioner's Analysis and Proposed Decision and draft Right-of-Way Lease at cost or view at the following location:

State Pipeline Coordinator's Office  
411 West 4<sup>th</sup> Avenue, Suite 2C  
Anchorage, AK 99501-2343  
Open Monday thru Friday  
Hours: 7:30 AM to 5:00 PM

The Commissioner's Analysis and Proposed Decision and draft Right-of-Way Lease may be viewed on-line at <http://www.corecom.net/JPO/kkpl/kkpl.htm>

Additionally, these documents will also be available for viewing at the following locations:

Kasilof, Public Library  
Kenai, Community Library  
Ninilchik, Community Library  
Soldotna, Public Library

#### Comment Period and Decision

Persons desiring to submit written comments on the Commissioner's Analysis and Proposed Decision, and the draft Right-of-Way Lease are invited to do so. Any comment, objection or expression of interest pertaining to the proposed actions must be received in writing by the State Pipeline Coordinator's Office at the above address on or before 5:00 P.M., November 14, 2002. Comments may be provided at a public hearing on the right-of-way lease application to be held pursuant to AS 38.35. The hearing will be held in Soldotna at 6:00 P.M. on November 13, or the next available date, at the Kenai Peninsula Borough Assembly Chambers, 144 N. Binkley. The scope of the hearing will be on the Kenai-Kachemak Pipeline application (ADL 228162).

The Commissioner's Analysis will form the basis of the final decision required under AS 38.35.100. If the Commissioner, in his discretion, after review of comments received during the public comment period, does not find cause to amend his Analysis or Proposed Decision, the Analysis and Proposed Decision will become the Commissioner's final decision under AS 38.35.100 without further notice, and KKPL LLC will be offered a right-of-way lease for the Kenai-Kachemak Pipeline. A copy of the Commissioner's final decision and a copy of the right-of-way lease will be available at cost from the department. If public comment indicates the need for substantial changes or additional analysis, additional public notice will be given on or about December 16, 2002. It is anticipated that the Commissioner will issue a final decision within approximately 30 days of the close of the period of public comment.

The State of Alaska, Department of Natural Resources, State Pipeline Coordinator's Office, complies with Title II of the Americans with Disabilities Act of 1990. Individuals with disabilities who may need auxiliary aids, services, or special modifications to participate in this review may call (907) 257-1300 or 269-8411 TTY/TTD. Please provide sufficient notice in order for the department to accommodate your needs.

The State Pipeline Coordinator's Office reserves the right to waive technical defects in this publication.

/s/

John Kerrigan

State Pipeline Coordinator